

cycle the 90th day falls in or when the member selects a rate option, whichever occurs first.

**Note:** Employers must pay employer contributions into the defined benefit portion of Plan 3 from the first day of the employee's employment in an eligible position.

Plan 2 members who choose Plan 3 must select their rate option at the same time they choose Plan 3. This is true even if the member is on a leave of absence. The rate option and the investment program selected by the member must be reported on the same transmittal report as the transfer/choice date. This requirement allows the member's Plan 2 contributions to be forwarded to the investment program they selected.

- **What rate to use when computing defined contributions**

All defined contributions for members in Plan 3 must be calculated on the rate in effect at the time the compensation is paid. If you need to adjust contributions previously paid, base your corrections on the contribution rate in effect when the original compensation was paid.

- **When to begin reporting deferrals**

DRS will notify an employer when to begin (pay date) deferring for each employee who chooses to become a DCP participant. When a participant changes his or her deferral amount, DRS will provide the effective (first pay date) date to an employer.

### **Disability/Leave End Date**

Use this field to report the disability/leave end date. Disability leave and other types of leave for LEOFF members must be reported if the period of leave exceeds three days.

### **Disability/Leave/Start Date**

Use this field to report the disability/leave start date. Disability leave and other types leave for LEOFF members must be reported if the period of leave exceeds three days.

### **Earning Period**

The earning period is the year and month in which the compensation was earned. Only one earning period can be reported per transaction. Create transactions for each earning period that needs to be reported.

### **Eligibility End/Termination Date**

Use this field to report the termination date for retirees, members and participants on the last transmittal report you expect to use for a member or participant.

- Retirement Systems

Use this field to report the date a member ends employment that is eligible for retirement system coverage. This date may be equal to the employment termination date or an earlier date if the employee is originally hired into an eligible position and later moves into an ineligible position. This date should be on the last transmittal report you expect to use for a member.

- Deferred Compensation Program

Use this field to report the date a participant terminates employment. This includes participants who have previously suspended their deferrals.

### **Eligibility Start Date**

- Retirement Systems

Use this field to report the date a retiree begins employment. Use this field to report the date a member begins employment that is eligible for retirement system coverage. This date may be equal to the employment start date, or a later date if the employee is originally hired into an ineligible position and later is hired into an eligible position. This date must be on the transmittal report for each retiree and member you are reporting for the first time. If you report a retiree and member without an eligibility start date, all of the information on the transmittal report will be rejected.

- Deferred Compensation Program

Use this field to report the first payday that an employee has a DCP deduction (deferral) taken from his or her compensation.

### **Employer Contributions**

Employer contributions are due on all compensation reported for each earning period.

Contributions must be the product of the following calculation:  
contributions = (compensation) x (employer contribution rate),  
computed to four decimal points (200.0149) and rounded to two  
decimal points (200.02).

Refer to Chapter 6 for rate tables showing which rates apply to each earning period.